ASX Announcement – 20 August 2026

LASERBOND FY26 FINANCIAL RESULTS

Highlights

- Revenue up 10.8% to $48.2 million ($43.5 million pcp)
- EBITDA up 15.1% to $10.4 million ($9.0 million pcp)
- Net profit after tax of $4.9 million, up from $3.8 million in the pcp
- Final dividend of 0.8 cents per share declared, taking total FY26 dividends to 1.6 cents per share
- On-time, on-budget completion of the modular laser cell for Komatsu, following site acceptance in July 2026
- Gateway contributed net profit after tax of $1.03 million, with continued strong growth in laser cladding revenue
- The Company will host an investor webinar to discuss the FY26 results today at 10.30am AEST. Click here to register

Laserbond Limited (ASX: LBL) ("Laserbond" or the "Company"), a specialist advanced surface engineering company, is pleased to announce its results for the 12 months ended 30 June 2026 (FY26).

The Company delivered growth in both revenue and profitability despite a more challenging operating environment in the second half, building on the strategic investments made over the prior two years. Growth in Products and continued margin strength in Services were complemented by a significant milestone in the Technology division, with completion of the modular laser cell for Komatsu further confirming the commercial potential of the Company's proprietary technology.

Chief Executive Officer, Rob Freeman, said, "FY26 was a year in which we continued to build the foundations for long-term growth, becoming more disciplined in our approach to the markets and geographies in which we choose to operate, so that resources are directed where we can compete most effectively.

"Looking ahead to FY27, we expect continued progress in developing tungsten carbide alternatives, with further validation of the X-Clad platform as customer trials advance, and further technology licensing opportunities as our laser cell network expands globally. We remain mindful of ongoing volatility in tungsten pricing, evolving US tariff settings, and the pace of recovery across key mining sectors, and will continue to manage these factors with the same discipline shown throughout FY26."

Financial Performance

Laserbond reported revenue of $48.2 million for FY26, up 10.8% on $43.5 million in the pcp, with EBITDA of $10.4 million, up 15.1% on $9.0 million in the pcp. NPBT increased 30.0% to $6.5 million ($5.0 million pcp), with net profit after tax of $4.9 million ($3.8 million pcp).

Cash and cash equivalents were $2.9 million at year end, down from $5.6 million 12 months earlier. This movement was primarily driven by strategic investment in tungsten carbide inventory, a proactive response to global supply constraints that enabled the Company to maintain uninterrupted supply to customers.

The Board declared a final dividend of 0.8 cents per share, in line with the interim dividend, taking the total dividend for FY26 to 1.6 cents per share.

Operational Performance

Revenue from **Services** was $27.3 million in FY26, modestly lower than $27.7 million in the pcp, with margins significantly higher at 58.0% (53.6% pcp), reflecting the diverse range of sectors served and continued demand for Laserbond’s premium product offering despite subdued mining sector conditions.

Tungsten prices remained elevated and volatile, compounded by Chinese trade barriers. In response, alternate coating solutions progressed from trial toward commercial application, expected in FY27. Expansion into Western Australia continued, including the return of complex component work previously coated overseas, and R&D trials advanced with several Australian OEM customers, including in the H2 Electrolyzer market.

Revenue from **Products** grew 18.8% to $17.5 million ($14.7 million pcp), supported by strong global OEM demand in the first half. US orders slowed in the second half as a major OEM worked down stock built up amid tungsten carbide supply concerns, with margins of 36.9% reflecting this ongoing volatility.

Development of the lower-cost X-Clad coating progressed well and is now in OEM trials globally, alongside alternate coatings unaffected by Chinese trade restrictions, supporting the division's outlook for continued growth in revenue and margins into FY27.

In **Technology**, the Komatsu licensing agreement, for earthmoving and mining equipment manufacturing, reached a key milestone with the first modular laser cell passing factory acceptance in June 2026 and commissioning since completed; site operation begins in Australia in Q1 FY27, providing independent validation of the Company's proprietary technology.

Further laser cell projects progressed through development, with additional contracts expected in FY27 and discussions underway on cells in other regions. Investment in legacy infrastructure continued, with upgrades to the Victorian and Queensland Yatala cells completed, and work on Laser 1 at Smeaton Grange on track for FY27.

Research and Development investment increased significantly during FY26, with agile methodology adopted to improve focus and efficiency. A significant portion was directed toward tungsten carbide alternatives, building on Laserbond's strategy of developing two new coating solutions per year, and continued to feed into wind turbine applications expected to support future revenue.

New technologies to further broaden the applications for the replacement of hard chrome are expected to reach market in FY27, alongside a new recycling process using magnetic separation that materially improved powder yield during the year. Increased R&D investment impacted near-term profitability but remains important to the Company's competitive position.

Momentum in the **Gateway Group** continued through FY26, with a steady order book and healthy pipeline. Based on Laserbond's 40% ownership, Gateway contributed net profit after tax of $1.03 million. Parts and Services growth was strong, while laser cladding revenue grew significantly following commissioning of the Company's laser cell in May 2025.

Market conditions remain broadly supportive, with elevated gold prices, solid iron ore investment, and a rebound in lithium supporting customer confidence. A new tier one client was added during the year, and with facilities operating well below capacity, Gateway is positioned to sustain its growth trajectory into FY27.

Strategy and Outlook

Laserbond continued to build the foundations for long-term growth in FY26, becoming more disciplined in its approach to the markets and geographies in which it chooses to operate. Key achievements included significant investment in legacy laser cell infrastructure, introduction of a digitised preventative maintenance system, and a thorough end-to-end review of processes and people development. Progress also continued on the Company's new Queensland facility, on track to transition from the current site in the third quarter of FY27.

Laserbond's competitive position is supported by four capabilities considered difficult for competitors to replicate: research and development, including powder formulations and laser systems, developed entirely in-house with no reliance on outsourced intellectual property; materials and process methodologies refined over many years; an integrated platform spanning Services, Products and Technology Licensing that provides multiple pathways to generate value from its innovation; and the Komatsu licensing agreement, which provides independent validation of the technology from a blue-chip global customer.

Looking ahead to FY27, Laserbond expects continued progress in developing tungsten carbide alternatives, with further validation of the X-Clad platform and further Technology licensing opportunities as its laser cell network expands globally, while the new Queensland facility is expected to support improved efficiency into FY28. The Company remains mindful of tungsten pricing volatility, evolving US tariff settings, and the pace of recovery across key mining sectors, and will continue to manage these factors with the same discipline shown throughout FY26.

Approved for release by the Board of Laserbond Limited.

FOR FURTHER INFORMATION

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ABOUT LASERBOND

Laserbond is a specialist surface engineering company that was founded in 1992. The Company focuses on the development and application of materials, technologies and methodologies to increase operating performance and wear life of capital-intensive machinery components.

Within these industries, the wear of components can have a profound effect on the productivity and total cost of ownership of their capital equipment. As almost all components fail at the surface, due to material removal through abrasion, erosion, corrosion, cavitation, heat and impact, and any combinations of these wear mechanisms, tailored surface metallurgy will extend its life and enhance its performance.